



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1961 (1940)

July 24, 1989

SUBJECT: Pooling of Insured Farm Ownership (FO) Loan Funds

TO: State Directors

ATTN: Farmer Program Chiefs

Purpose/Intended Outcome:

Effective, at the close of business, on July 28, 1989, all unobligated allocations of insured farm ownership (FO) loan funds for Fiscal Year 1989 will be pooled.

Comparison with Previous AN:

No previous AN has been issued on this subject.

Implementation Responsibilities:

All pooled insured FO funds will be maintained under National Office control. Exhibit A of FmHA Instruction 1940-L outlines the procedure for making FO reserve requests for non-socially disadvantaged and socially disadvantaged loan funds. Non-socially disadvantaged loan funds will be allocated for hardship loans only.

Funds may be requested from the National Office to make loans to socially disadvantaged applicants on a first-come first-serve basis. Any targeted socially disadvantaged FO funds not used by September 20, 1989, will be made available to non-socially disadvantaged applicants on a hardship basis, in an effort to use all insured FO funds by COB September 30, 1989.

NEAL SOX JOHNSON
Acting Administrator

EXPIRATION DATE: September 30, 1989

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1940-L

Sent by Time Delay Option to states at 4:11 pm on 7/25 by
ASD; States Directors will immediately distribute to Farmer
Programs Chiefs and other appropriate personnel.



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